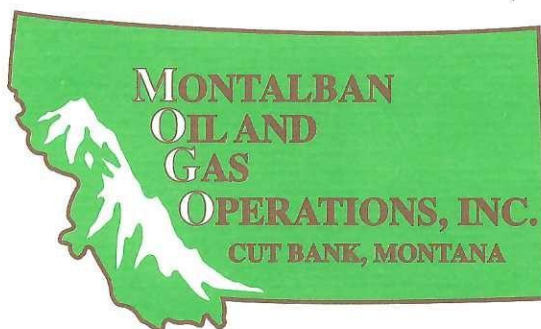


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Petroleum Consultants & Operation Managers

Monday, November 30, 2020

**State of Montana
Board of Oil & Gas Conservation
2535 St. Johns Avenue
Billings, Montana 59102**

**Attn: Board Members
Steve Durrett, Chair
Paul Gatzemeier
Mac McDermott
Linda Nelson**

**Dennis Trudell
Mike Weber
Corey Welter**

Dear Board Members:

We are writing to provide you with additional information regarding our petition to the Board for a Change of Operator for 49 wells in Pondera County, Montana, as follows:

In order to show that the Company is committed to moving forward with production of the wells in question, the following is what has been accomplished to-date:

Two Injection Wells (Jody Fields #34-1 & #34-2) and one oil well (Fields #14-34) under the Fields Lease have been returned to injection and production. The Fields #4-1A will be returned to production through a workover or converted to an injection well.

Wells in the Williams and Lake Frances Field have been returned to production, except for the State 16-14. All three gas plants are up and running on a 24-hour basis. All wells back on-line are being metered with charts for November and December and are producing successfully, as they have regenerated themselves after being shut-in for 3 years. We plan to clean out gas wells with an air compressor in order to increase production.

Currently, following are the shut-in wells, under Montalban Oil & Gas Operations, Inc's., (MOGO's) Bond:

Red Creek Field

Red Creek 10-02 – return well to production in the next 6-months.

Red Creek 16A-2-14B – evaluate and possibly turn into injection well

Red Creek #21 – perforate and return well to production in the next 12-months.

Red Creek #23 – return to production in the next 6-months.

The following are shut-in wells to be transferred to MOGO's multiple well Bond:

East Crocker Springs Field

Fields #4-1A – Return to production or convert to injection well

Williams Field

State 16-14 – Test well and if not capable of producing gas, plug and abandon well

The Danielson #33-17, also under MOGO's Bond, is currently producing but the plan is to plug and abandon the well in the next 30-days due to it being uneconomic to produce. We discussed a plugging and abandonment program with Gary Klotz in the Shelby Field Office and we will be submitting a Form 2-Sundry Notice detailing that plan to the Billings Office for approval.

This would bring the total number of shut-in wells under MOGO's Bond to six. For those wells that we are unable to bring back on-line, either by production or injection, we plan to work to plug and abandon them in the next 6 to 12 months.

Accordingly, we are respectfully requesting that the Board allow our Bond to remain at its current level with no increase due to the plan outlined above.

We thank you kindly for your time and consideration in this matter.

Sincerely,


MONTALBAN OIL & GAS OPERATIONS, INC

Patrick M. Montalban
President & CEO

cc: Jim Halvorson – Administrator